

Director of Personnel  
5E-56 HQ

30 MAR 1971

STAT

Executive Director-Comptroller  
7E-12 HQ

Colonel White:

The attachment is the best concise statement I've seen on State's planning to achieve its objective of a "unified personnel system." Action is already under-way to convert Civil Service employees to FSRU appointments and therefore to FAS status. Upon conversion to FAS, former Civil Servants become participants in the Foreign Service Retirement System. In gaining earlier retirement eligibility and higher annuities under that system, they also accept mandatory retirement at age 60 and are subject to selection-out. Note also that new appointments of officers to the Department will be made only under the Foreign Service personnel system.

In the minds of many of our people this conversion of State Department Civil Service employees to FAS equates to putting our Civil Service employees under CIARDS. The legal authority for State's action is Public Law 90-494 approved 20 August 1968. This Act established the Foreign Service Information Officer Corps (for USIA) but contains language which provides for giving tenure to Foreign Service Reserve officers (U=unlimited) and allows FSRU's to become participants in the Foreign Service Retirement System.

Obviously, we have a greater legal obstacle because of the wording of our Act and the clear intent of Congress when it was passed. [redacted] and I are re-STAT  
viewing State's plan in some detail. This note is just for your information.

## The Foreign Affairs Specialist Corps Is Established

The Department last month established a new category of career Foreign Service Reserve officers, the Foreign Affairs Specialist (FAS) Corps, which will parallel and complement the Foreign Service Officer Corps.

The far-reaching action follows the recommendations of the recent Task Forces on management and personnel and earlier management study groups calling for a unified personnel system to give the Department greater management flexibility and more efficiency in the use and development of specialists.

The proposed unified personnel system will eventually affect nearly 7,000 officer positions in the Department and overseas—2,941 at home and 3,415 abroad.

It is expected that most of these positions will be filled in time by 3,620 Foreign Service Officers (FSOs) and 2,736 Foreign Service Reserve Officers with unlimited tenure, designated as FSRUs.

The new category of officers known as Foreign Affairs Specialists will be appointed as FSRUs under the authority of Public Law 90-494, approved August 20, 1968.

Eligible for appointment to the new FAS Corps are career Civil Service officers, Foreign Service Reserve officers, Foreign Service Staff officers, and some Foreign Service officers.

Conversions to the FAS Corps will be on a voluntary basis.

All officer positions in the Department and abroad have been designated as either FSO or FSRU (FAS), with the exception of noncareer positions or those exempted by statute.

Department officials pointed out that eligible officers may apply for conversion to FAS or FSO according to the designation of their position and other criteria.

The Board of Examiners for the Foreign Service—which has overall responsibility—has already designated panels of Deputy Examiners to consider candidates for appointment as FAS.

The Board will also hear appeals on the decisions of the panels.

New appointments of officers to the Department will be made only under the Foreign Service personnel system.

A 52-page Management Reform

Bulletin (No. 8), outlining the new Foreign Affairs Specialist Corps and the Department's conversion and appointment policy, was issued to employees on February 16.

The Bulletin also included data on staffing designations of officer positions, class and salary conversion tables, mandatory retirement schedules, comparison of the Civil Service and Foreign Service retirement systems, and questions and answers relating to the Foreign Affairs Specialist Corps.

Incentives for career officers who convert to FAS or FSO were described as follows:

—Career officers not now subject to service abroad, or who are age 50 or over at the time of FAS appointment, will be encouraged but will not be required to serve abroad before retirement. Exceptions for other officers will be made on the basis of staffing needs for their specialty or to accommodate medical or family problems.

—Career officers, who convert to FAS from a category not now subject to selection-out, will be exempted from selection-out for performance ranking for a period equal to the maximum time-in-class applicable to their FAS appointment class and specialty, or for 10 years, whichever is less. Such exemptions will cease upon the officer's first promotion as a Foreign Affairs Specialist.

—Most officers now under the Civil Service Retirement System will become eligible for earlier retirement at a slightly higher annuity under the Foreign Service Retirement System.

Career opportunities for Foreign Affairs Specialists, also outlined in the Management Reform Bulletin, were listed as follows:

—Service primarily within the Foreign Affairs Specialist's field or specialty.

—Career counseling and opportunities for training and development.

—FAS officers may be considered for lateral entry to the FSO Corps if there is need for their services as Foreign Service Officers.

—As a general policy, FAS officers will be expected to serve some time abroad, although many will spend

more time in the United States than overseas.

—FAS officers will compete for promotion with other officers in the same or related specialties.

—FAS officers will be covered by the Foreign Service Retirement System and will be subject to the selection-out provisions of the Foreign Service Act of 1946, as amended. They will also be subject to the published time-in-class criteria established for their class and specialty.

—The criteria applicable to FAS officers for determining selection-out based on standard of performance, which will be published, may be different from those applicable to Foreign Service Officers.

The FAS conversion programs, which began on February 16, is expected to be completed by December 31, 1973.

All conversions will be made to the FSR or FSO class and salary which is most nearly comparable to the officer's present class or grade and salary, Department officials pointed out.

"Instances which will result in a loss of salary will be held to a minimum number of cases and to the least salary loss possible," they added. "Since some FSS and GS grades and salary steps do not equate directly with FSO/FSR classes and salary steps, officers in some FSS classes and GS grades will have to be converted to two FSO/FSR classes. In any case where the conversion tables indicate a loss of salary, the officer may apply for conversion to the next higher class as an exception."

Officers on the Department's rolls who apply for conversion to FSR or FAS appointment must be certified for medical clearance by the Office of Medical Services (O/MED) under procedures determined by the Medical Director.

Family members will not be required to undergo medical examinations until the officer is scheduled for assignment abroad.

Although proficiency in a foreign language is not required, FAS officers will be encouraged to acquire some foreign language proficiency in order to enhance their effectiveness abroad.

Officers appointed as FAS will be covered under the provisions of the

Foreign Service Retirement System from the date of their FAS appointment.

All officers and employees under that retirement system are eligible to retire voluntarily at age 50 with 20 years' service. They receive an immediate annuity computed at 2% of their highest 3-year average salary times years of service, not to exceed 35 years.

Mandatory retirement under the Foreign Service Retirement System is at age 60.

Under the provisions of Public Law 90-494, mandatory retirement for Foreign Affairs Specialist officers will begin with officers who are age 64 or older between August 21, 1970 and August 20, 1971.

The mandatory age will be reduced by one year for each succeeding year, so that on August 21, 1974, and thereafter the mandatory age is 60.

Requests for conversion to FSR or RFAS will be considered by the Office of Personnel upon receipt of a written application. The applications will be available in the Executive Office or Administrative Office in each Bureau, and at posts abroad.

Employees may obtain further information on the Department's Foreign Affairs Specialist Corps, or related data, from their Executive Officer or Administrative Officer.

Information on the program may also be obtained in the Counseling and Assignments office in PER/CA or in the Civil Service Staffing Operations office in PER/CA.

As the Department begins to develop the Foreign Affairs Specialist Corps through voluntary conversions, appointments of officers from outside will be made under the authority of the Foreign Service Act, with a few exceptions.

After the transition is completed over a period of years, all career officers will be in two career categories—Foreign Service Officers and Foreign Affairs Specialists.

All noncareer officers will eventually be Foreign Service Reserve Officers under limited appointments (FSR)—except for noncareer executive, limited executive, or Schedule C appointees.

The Schedule C appointments will be made for positions up through GS-15 that involve a confidential relationship to key policy-making officials. A few of such positions above

the GS-15 level are noncareer executive or limited executive.

Limited FSR appointments will be used for initial appointment of officers who are recruited as FAS candidates or as FSO lateral entry candidates; short-term specialists; exchanges of personnel from other agencies and exchange or enrichment appointments from industry or academia; and noncareer or limited executive positions above the GS-15 level when authorized spaces are not available.

Those who are recruited as FAS candidates will be converted to FAS appointments—or separated—during their third or fifth years of service.

Employees who are recruited as FSO lateral entry candidates will be examined under lateral entry procedures after completion of the required period of service.

Others who are recruited to meet short-term, specialized requirements will remain under FSR limited appointments.

Persons recruited as FAS candidates must be age 50 or under at the time of FSR appointment, since FAS officers are covered under the Foreign Service Retirement System with mandatory retirement at age 60. Persons recruited to meet short-term specialized requirements may be appointed as FSR's above age 50.

Conversions to FSO appointment under the lateral entry provisions is being carried out by the Department concurrently with the FAS conversion program.

In considering both career and noncareer officers for the FSO lateral entry program the Department will utilize the criteria set forth in Section 517 of the Foreign Service Act and the regulations in 3 FAM 122.

Applicants for lateral entry appointment as a Foreign Service Officer must be under age 54 on the date of application, as stated in 3 FAM 122.2-3c(3).

All officers appointed as FSOs must be available for service abroad as needed.

Career officers who convert to FSO appointment will be exempted from selection-out for performance ranking for two full performance rating periods. This will provide for establishing a comparable record for promotional purposes.

Medical clearance under Foreign Service standards for the officer and members of his family will be required before final approval of the application.

The Board of Examiners for the

Foreign Service has established examiners to conduct the lateral entry examinations.

A standard memorandum of application will be provided for career officers who wish to apply for lateral entry.

Officials said that the Department will continue to utilize the skills of those officers serving in FSO- or FSRU-designated positions who are ineligible for FSO or FAS appointment and those who decide not to apply for conversion.

"Special policies and procedures will be developed and published to provide appropriate assignment and promotion opportunities for such officers," they noted.

"The Department wants to ensure that no employee's rights are violated, and further, that all of its employees have reasonable opportunities for utilization and development of their skills. As the plan for implementation of a Foreign Affairs Specialist Corps progresses, however, it must be expected that promotional opportunities for those remaining in positions designated for FSO or FAS staffing are bound to decrease."

Officers who were appointed as Foreign Service Reserve Officers on or before August 20, 1968, and who have reinstatement rights in the Department, may exercise their reinstatement rights and be reappointed in their former appointment category at any time before August 20, 1973, if they do not wish to convert to Foreign Affairs Specialist or Foreign Service Officer categories.

This also applies to officers who were appointed as Foreign Service Reserve Officers after August 20, 1968, with reinstatement rights in the Department, except that they have until December 31, 1973, to exercise their reappointment rights and be reappointed in their former appointment category.

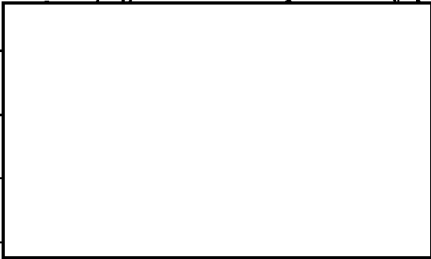
All such officers must convert to FAS, revert to their former appointment category, or be appointed as Foreign Service Officers by August 20, 1973, under the provisions of Public Law 90-494.

Officers appointed as FSR after August 20, 1968, cannot be extended beyond 5 years from date of appointment, except in the case of an employee assigned from another agency.

Persons on the rolls of the Department—GS or FSS—who are now ineligible for FAS appointment or FSO lateral entry will have opportunities for acquiring officer status.

UNCLASSIFIED CONFIDENTIAL SECRET

STATINTL OFFICIAL ROUTING SLIP

TO	NAME AND ADDRESS	DATE	INITIALS
1	Chief, Review Staff	31 MAR 1971	JZ
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ACTION	DIRECT REPLY	PREPARE REPLY
APPROVAL	DISPATCH	RECOMMENDATION
COMMENT	FILE	RETURN
CONCURRENCE	INFORMATION	SIGNATURE

Remarks:

Our memo prompted this action rather quickly. Let's hope the "legal obstacle" can be identified and resolved in the Agency's interest.

FOLD HERE TO RETURN TO SENDER

FROM: NAME, ADDRESS AND PHONE NO.

DATE

Director of Personnel 36 29 March 71